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Magyar Kozlony.

NEW REGULATIONS FOR STATE ENTERPRISES

STATE ENTERPRISES TO REPLACE NATIONAL ENTERPRISES -- Budapest, Magyar Kozlony,
6 Aug 50

The Presidium of the Hungarian People's Republic has issued decree No 32 of 1950, the main provisions of which are as follows:

All national and municipal enterprises will henceforth be known as state enterprises. The word "national" or "municipal" or abbreviations thereof will be deleted from their names.

With the consent of the Council of Ministers, certain state enterprises may operate in the form of corporations.

State enterprises are completely owned by the state; their obligations are absolutely guaranteed by the state; and they are supervised by the appropriate minister.

The state enterprises are placed under the immediate supervision of a directing agency which may be one of the following: (a) the appropriate minister, (b) the local council, (c) an industrial, commercial, or other type center, and (d) an association operating under the jurisdiction of the minister or of the local council.

The function of a state enterprise is usually indicated in its name. To distinguish it from others having similar functions, the name may include the city or town or other distinguishing words.

The director of a state enterprise is personally responsible for its operation. He is appointed by the directing agency subject to approval of the appropriate minister or local council.

The chief accountant is responsible for the financial operation and administration of the state enterprise. He may refuse to carry out instructions which in his opinion violate legal provisions or regulations or are harmful to the interests of the enterprise. In such cases, he will make a report to the directing agency, the minister, and the State Control Center.

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The founding, merger, or dissolution of a state enterprise may be resolved by the Economic Council, the appropriate minister, the county council, or the local council. In each case, an entry must be made in the official registry.

REGISTER OF HUNGARIAN STATE ENTERPRISES -- Budapest, Magyar Kozlony, 6 Aug 50

The organization, merger, or dissolution of all Hungarian state enterprises and other economic organs of the state will henceforth be recorded in the Register of Enterprises (Vallalati Torzskonyv) instead of the Commercial Register (Cegjegyzek).

For these purposes, a state enterprise is an enterprise in which state ownership amounts to 50 percent or more.

The Register of Enterprises will be kept:

1. By the Ministry of Finance for state enterprises and other economic organs of the state operating under the direct supervision of a minister, an industrial or commercial center, or an association supervised by a minister; and
2. By the finance departments of the county councils, the City of Budapest, or city councils having the status of county councils.

Entries in the Register of Enterprises will be made on the basis of reports which must be submitted by the agencies which issued the resolution providing for the organization, merger, or dissolution to be recorded. If the entry to be recorded was resolved by the Council of Ministers or the Economic Council, the report will be made by the minister concerned.

The minister who has jurisdiction over the field of activity of the state enterprise may cause the entry to be recorded not only in the Register of Enterprises but in the Commercial Register as well.

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